

Message Text

LIMITED OFFICIAL USE

PAGE 01 TAIPEI 04939 150755Z

12

ACTION XMB-07

INFO OCT-01 EUR-25 EA-11 ADP-00 EB-11 AID-20 RSR-01 RSC-01

/077 W

----- 090232

R 150506Z AUG 73

FM AMEMBASSY TAIPEI

TO SECSTATE WASHDC 9489

INFO USDOC WASHDC

AMCONSUL HONG KONG

AMEMBASSY LONDON

LIMITED OFFICIAL USE TAIPEI 4939

PASS EXIM

HONG KONG FOR RAND EXIM

EO 11652 N/A

TAGS ETRN TW

SUBJECT: RAILWAY ELECTRIFICATION PROJECT

REF TAIPEI 4180

1. RAILWAY ELECTRIFICATION BID DOCUMENTS OPENED AUGUST

10. BIDS SUBMITTED BY GE/MK, GEC AND 50 CYCLE GROUP AS
EXPECTED.

2. ON BASIS PRELIMINARY STUDY GE/MK BELIEVE THEY ARE
LOW BIDDER BT NOT BY WIDE MARGIN. ANDERSON OF GE
INFORMED COMMATTS HIS BELIEF THAT GE/MK HAVE PUT TOGETHER
A PACKAGE SUPERIOR TO EITHER GEC OR 50 CYCLE AND THAT
MAIN COMPETITOR WILL BE GEC.

3. REGARDING FINANCING ANDERSON STATED THAT ON BASIS
QUICK APPRAISAL GE/MK FINANCIAL PROPOSAL IS NOT AS
ATTRACTIVE AS THOSE OF GEC OR 50 CYCLE.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 TAIPEI 04939 150755Z

4. GEC/LAZARD BROS OFFER GRACE PERIOD TO DATE OF COMPLETION (ROUGHLY 4 TO 5 YEARS) PLUS 12 YEAR REPAYMENT PERIOD. WILL FINANCE 90 PERCENT OF UK PARTS OR TOTAL SUM OF BETWEEN 69 TO 75 MILLION POUNDS STERLING. INTEREST RATE IS 6 PERCENT PLUS A ONE TIME 1 PERCENT COMMITMENT FEE. OTHER CHARGES INCLUDE A .2 PERCENT NEGOTIATION COMMISSIOF AND A ONE TIME .05 PERCENT MANAGEMENT COMMISSION. INTEREST TO BE SET AT PREFERENTIAL FIXED RATE OF INTEREST FR EXPORT FINANCING PREVAILING AT TIME CONTRACT SIGNED. LAZARDS ALSO WILL ARRANGE (IF DESIRED) DOWNPAYMENT FINANCING IN EURODOLLARS AT 1 PERCENT OVER LONDON INTERBANK RATE PREVAILAING AT TIME CONTRACT SIGNED.

5. GEC GROUP REPRESENTING GERMAN, BELGIUM, FRENCH, SWISS AND UK FIRMS HAVE COME UP WITH FINANCE PACKAGE WHICH AVERAGES OUT AT 6.725 PERCENT ACROSS THE BOARD WITH NO OTHER CHARGES, INCLUDES AN AVERAGED OUT GRACE PERIOD OF 5 YEARS WITH 12 YEARS REPAYMENT SCHEDULE.
GLEYSTEN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 15 AUG 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: worrelsw
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973TAIPEI04939
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: TAIPEI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730835/aaaaazqu.tel
Line Count: 80
Locator: TEXT ON-LINE
Office: ACTION XMB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: TAIPEI 4180
Review Action: RELEASED, APPROVED
Review Authority: worrelsw
Review Comment: n/a
Review Content Flags:
Review Date: 25 JUL 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <25-Jul-2001 by kellerpr>; APPROVED <15-Aug-2001 by worrelsw>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: RAILWAY ELECTRIFICATION PROJECT
TAGS: ETRN, TW
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005